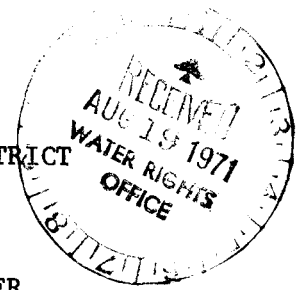


CONTRACT BETWEEN CENTRAL UTAH WATER CONSERVANCY DISTRICT

AND CLAUDE M. AND DONNA TYER FOR THE SALE

OF PROJECT UNTREATED MUNICIPAL AND INDUSTRIAL WATER



THIS CONTRACT made this 12th day of July, 1971, between the Central Utah Water Conservancy District, organized under the laws of the State of Utah, with its principal place of business in Orem, Utah herein called the District, and CLAUDE M. AND DONNA TYER, herein called the Purchaser.

WITNESSETH:

WHEREAS, The District entered into contract No. 14-06-400-4286 with the United States, dated December 28, 1965, herein referred to as the Government-District contract, which provides for the construction of the project facilities and repayment of certain costs of the works of the Bonneville Unit of the Central Utah Project, herein called the project, by means of which water is and will be made available for use for irrigation, municipal, industrial, and miscellaneous purposes, and a portion thereof is now available for use by the Purchaser; and,

WHEREAS, the Purchaser desires to develop a water supply at or near the following location:

N. 2100 feet W. 460 feet from SE Cor. Sec. 26,
T. 2 N., R. 9 W., USM

which will intercept and divert water that will require replacement, and the District has project water to sell to the Purchaser to replace the water so intercepted and diverted.

NOW, THEREFORE, in consideration of the mutual and dependent promises and covenants herein contained, it is hereby mutually agreed by and between the parties hereto as follows:

1. SALE OF WATER: The District, for the price specified in Article 3, sells and agrees to deliver pursuant to District rules and regulations in the manner and at the place provided in Article 2, and the Purchaser agrees to purchase 1.0 acre-foot of untreated municipal and industrial water annually. Water to be furnished under this contract will be available beginning January 1, 1971. The Purchaser does not have the right to hold water over or accumulate water from year to year. This contract shall be effective on the date first above written and continue for a period of forty(40) years commencing January 1, 1971. The District will obtain the permanent right to project water pursuant to Article 7 of said Government-District contract. The furnishing of water after the expiration of this contract will be on terms mutually agreeable to the parties hereto. The District will not be obligated

to deliver water to the Purchaser as herein provided until satisfactory evidence is furnished that the use of this water as replacement water has been provided by the State Engineer of Utah.

2. PLACE OF DELIVERY AND USE: So the Purchaser may develop a water supply at the location described above 1.0 acre-foot of replacement water will be released annually from Starvation Reservoir. Said water is to be for municipal and industrial use only in and upon the following described lands in Duchesne County, Utah:

NW $\frac{1}{4}$, SW $\frac{1}{4}$, Sec. 36, T. 2 N., R. 9W., Uinta Special Base & Meridian

3. OBLIGATION OF PURCHASER TO PAY FOR WATER: For the purchase of the annual quantity of replacement water the Purchaser shall pay to the District Twenty-Five dollars (\$25.00) upon execution of this agreement, and annual payments consisting of:

(a) Twenty-five Dollars (\$25.00) per acre-foot for the water purchased in Article 1 to apply on the District's obligations under the Government-District contract, as it may be amended and supplemented. Should the District establish a lower or higher price per acre-foot for municipal and industrial project water from Starvation Reservoir to meet its obligation under Article 6 of the Government-District Contract, the Purchaser agrees that the above purchase price be adjusted accordingly.

(b) A fair proportionate amount of estimated operating and maintenance charges of the District for the ensuing calendar year. Such fair proportionate amount to be determined each year by the Board of Directors of the District and its determination will be final and conclusive. Written notice of the estimate will be given to the Purchaser at least 60 days before the due date. If such estimate is more or less than the actual cost thereof, an appropriate adjustment will be made in the next notice.

(c) The first annual payment, (a) and (b) above, must be made by the Purchaser to the District on or before July 1, 1971, and is payment in advance for the calendar year 1971. Succeeding annual payments must be made by the Purchaser to the District on or before January 1 of each year during the term of this contract. Each annual payment must be made in advance to the District whether all or any part of the water is used. The payment of Twenty-five dollars (\$25.00) made on the execution hereof will be credited to the first annual payment.

4. WATER ADMINISTRATION: The Purchaser agrees to pay, in addition to the amounts required by Article 3, all assessments made by the State Engineer of Utah for administration and distribution of the water covered hereby.

5. INTEREST FOR DELINQUENCY: Each payment required under this contract which remains unpaid after its due date, will bear interest at the rate of six percent (6%) per annum from the date of delinquency; provided, that no interest is to be charged or paid by the Purchaser unless such delinquency continues for more than thirty (30) days.

6. REMEDIES IN CASE OF DEFAULT: The Purchaser agrees that each annual amount payable constitutes a perpetual lien upon the land described in Article 2. If the Purchaser fails to make payment on or before the date due, the District is relieved of the obligation to furnish any water to Purchaser until payment is made, but this remedy is not exclusive, and the District may exercise, as many times as necessary, any remedy under this contract or by law to enforce collection of payment and for the foreclosure of the above lien.

7. RELIEF IN EVENT OF DROUGHT AND WATER SHORTAGE: On account of drought or other causes, there may occur at times during any year a shortage in the quantity of water available to the Purchaser pursuant to this contract. In no event shall any liability accrue against the District or the United States or any of its officers or employees for any damage, direct or indirect, arising out of any such shortage.

8. CONSTRUCTION, OPERATION, AND MAINTENANCE OF PURCHASER'S FACILITIES: The Purchaser agrees to construct, operate, and maintain, without cost to the District or the United States, the facilities necessary to secure its water supply, including a measuring device approved by the District. The Purchaser is solely responsible for the quantity and quality of water developed by Purchaser's facilities. All facilities constructed, operated, and maintained by the Purchaser are to be accessible for inspection at all reasonable times by proper representatives of the District.

9. WATER POLLUTION CONTROL: The Purchaser agrees that he will comply fully with all applicable Federal, State, and local laws, orders, and regulations, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water, or water courses with respect to the discharge of refuse, garbage, sewage effluent, or other pollutants.

10. BENEFICIAL USE OF WATER: The basis, the measure, and the limit of the right of the Purchaser to the use of water rests perpetually in the beneficial application thereof. The Purchaser agrees to put the water purchased hereunder to beneficial use in accordance with law. The District reserves the right to terminate this contract as to any portion of the annual amount of water in Article 1, which is not put to beneficial use by Purchaser on or before January 1, 1976, in this event, appropriate adjustments in the future annual payments required under Article 3, herein, will be made, provided that the amount of Article 3 (a) is not reduced below \$25.00 per annum.

11. ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED: The provisions of this contract apply and bind the successors and assigns of the parties hereto, but no assignment or transfer of this contract or any part thereof or interest therein shall be valid until approved by the Secretary of Interior or his authorized representative.

12. NOTICE: Any notice herein shall be sufficiently given if mailed to the Purchaser at 4911 South 1950 West, Taylorsville, Utah and to the District if mailed to P. O. Box 427, Orem, Utah 84057. The

designation of the addressee or the address given above may be changed by notice given in the same manner as provided in this Article for other notices.

13. COMPLIANCE WITH WATER CONSERVANCY ACT AND WITH RULES AND REGULATIONS: This contract and amendments thereto is subject to the Water Conservancy Act of Utah, Title 73, Chapter 9, Utah Code Annotated, 1953, as amended, and the rules and regulations as established and amended from time to time by the District.

IN WITNESS THEREOF, the parties have caused this contract to be executed and signed the day and year first above written.

Attest:

CENTRAL UTAH WATER CONSERVANCY DISTRICT

[Signature]
Secretary

By

[Signature]
President

(Seal)

Attest:

July 6, 1971

[Signature]
Notary

[Signature]
Purchaser

My Commission Expires January 20, 1976

(Seal)

Approved

[Signature]
Authorized representative of the
Secretary of the Interior

[Signature]

R E S O L U T I O N

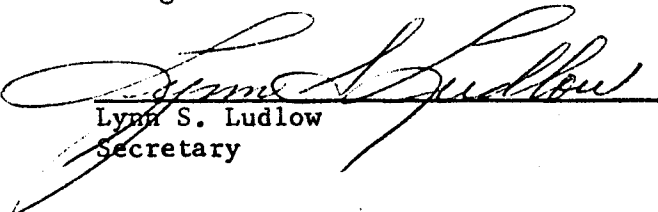
WHEREAS, the Central Utah Water Conservancy District has allotted 1 acre-foot of water each to Jerry & Barbara Worthen, Kenneth A. & NaeDene Cooley, and Claude M. and Donna Tyer by exchange from Starvation Reservoir for municipal and industrial purposes for a total of 3 acre-feet; and,

WHEREAS, contracts with the above named parties for the sale of said water have been drafted;

NOW, THEREFORE BE IT RESOLVED, that the Central Utah Water Conservancy District approves these contracts and authorizes its officers to execute said contracts for the sale of municipal and industrial water by exchange in Starvation Reservoir.

CERTIFICATE

I certify that the foregoing is a true and accurate copy of a resolution unanimously adopted by the Board of Directors of the Central Utah Water Conservancy District on June 11, 1971 at a regularly and duly called meeting after notice given in accordance with the statutes of the State of Utah and the By-Laws of the Central Utah Water Conservancy District and further, that out of a total of Nineteen Directors Nineteen were present and voting in favor thereof.


Lynn S. Ludlow
Secretary